

INITIAL STATEMENT OF REASONS

Motor Carrier Permit Program Sections 220.04, 220.12, and 221.12

As part of the Motor Carrier Permit Program's continuous improvement plan, the prior renewal forms, one for each type of business structure, were combined into one two-page form.

The department proposes to amend Sections 220.04, 220.12 and 221.12, in Article 3.5, Division 1, Chapter 1, of Title 13, of the California Code of Regulations, to identify the current revision of the renewal application form and correct two minor word omissions.

220.04. Expiration and Renewal of a Motor Carrier Permit.

Section 220.04(a) would amend and identify the latest revision of the DMV 134 MCP (REV. 3/2003) form, Motor Carrier of Property Permit Renewal Application.

The renewal form is incorporated by reference in subdivision (a). Previously the renewal form was specific to each of the business structures (i.e., individual, general partnership, limited partnership, limited liability company, and corporation). This form now has been combined and reduced to a two-page form. The carrier information at the top of the form is computer generated from the department's registration database. The motor carrier would indicate yes or no in response to two questions regarding workers' compensation, which determine whether the motor carrier is eligible to remain a motor carrier under Vehicle Code section 34634. A third question asks about enrollment in the CHP Biennial Inspection of Terminal (BIT) program. Eligibility for the Motor Carrier Permit program requires enrollment in the BIT program. The fourth question asks about enrollment in a controlled substance and alcohol testing (CSAT) program. This is a federal program authorized under Vehicle Code section 34520, and is required to remain eligible for the Motor Carrier Permit program.

The motor carrier's authorized representative signing the renewal application on behalf of the motor carrier prints his/her name, signs, indicates his/her title on behalf of the motor carrier and enters the date and the city, county, and state where the signing occurred.

The remainder of the first page is a request for voluntary withdrawal from the Motor Carrier Permit program. Should a motor carrier decide to no longer participate, the authorized representative can enter the effective date of termination, date signed, the city and state where the document was signed, the signature and the printed name of the authorized representative that signed the document.

On the second page, at the top of the page, the motor carrier is required to report the number of vehicles that are classified "private" or "for-hire" to identify the correct fee from the chart that corresponds to the calculations which follow.

Either section A or section B is completed, depending on the type of operations, whether intrastate only or intrastate and interstate. In A, full year intrastate carriers enter the amount based on the private or for-hire fee charts and the number of vehicles that are in the motor

carrier's fleet. If the motor carrier is a full year intrastate and interstate motor carrier, then B is to be completed. There are five (5) steps to determine fees for the intrastate and interstate motor carrier. In step 1, the motor carrier completes A and enters the number corresponding to step 1. In step 2, the motor carrier enters the total intrastate miles for all the motor vehicles in the space corresponding to step 2. In step 3, the motor carrier enters the total miles all the motor vehicles are operated (including the California intrastate miles) in the space corresponding to step 3. In step 4, the intrastate miles entered in step 2 is divided by the total miles entered in step 3, and the result is entered in the space corresponding to step 4. In step 5, the number entered in the space corresponding to step 4 is multiplied by the number in A and is the amount of money owed for full year fees as a motor carrier. This page is a simple fee calculation for motor carriers to follow based on Sections 7231 et seq. of Part 1.55, Chapter 1, of the Revenue and Taxation Code.

220.12. *Owners-Operators.*

Subsection 220.04(b)(1) would add the word "motor" before the word "vehicle". This was missed in the last revision. Adding the word "motor" clarifies that the vehicle is not a trailer. This regulatory action is necessary to identify the vehicles as power-driven motor vehicles as the status of trailers has changed with the passage of the Commercial Vehicle Registration Act.

221.12. *Termination of Assignment.*

Subsection 221.12(b) would add the word "when" for clarity.